

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

PACIFIC BELLS, LLC, et al.,

Plaintiffs,

v.

JAY INSLEE, Governor of the State of
Washington, et al.,

Defendants.

C21-1515 TSZ

MINUTE ORDER

The following Minute Order is made by direction of the Court, the Honorable Thomas S. Zilly, United States District Judge:

(1) Plaintiffs’ motion for reconsideration, docket no. 50, is DENIED. Contrary to plaintiffs’ assertion, the Court’s conclusion that plaintiffs had presented no basis for federal-question jurisdiction because their claims did not involve an “employee benefit plan” governed by the Employee Retirement Income Security Act (“ERISA”), see Pac. Bells, LLC v. Inslee, No. C21-1515, 2022 WL 1213322, at *2–3 (W.D. Wash. Apr. 25, 2022), was not dictum. Whether a federal court has subject-matter jurisdiction is always the starting point for any decision. Plaintiffs’ argument that the Court’s ruling was not necessary in light of its Tax Injunction Act analysis is exactly backwards; the Tax Injunction Act operates only to annul any federal-question (or diversity) jurisdiction that the Court might otherwise have. Plaintiffs’ further contention that the Long-Term Services and Supports Trust Program (“WA Cares”)¹ imposes mandatory employee-

¹ Plaintiffs’ reliance on characterizing WA Cares as a “multiple employer welfare arrangement,” as defined in 29 U.S.C. § 1002(40)(A), is misplaced. ERISA makes clear that Subchapter I of Chapter 18 of Title 29 of the United States Code applies only to an “employee benefit plan” that is “established or maintained” by an employer or an employee organization or both. 29 U.S.C. § 1003(a). With respect to WA Cares, the State of Washington is not an employer or employee organization. See Pac. Bells, 2022 WL 1213322, at *2–3.

1 benefit requirements on employers in violation of ERISA ignores both the statutory
2 language and the substance of the Court’s Order. Finally, plaintiffs’ attempt to
3 distinguish Howard Jarvis Taxpayers Ass’n v. California Secure Choice Retirement
4 Savings Program, 997 F.3d 848 (9th Cir. 2021), fails. Like the state-managed individual
retirement account program at issue in Howard Jarvis, known as “CalSavers,” WA Cares
“does not require employers to operate their own ERISA plans” and “does not have an
impermissible reference to or connection with ERISA.” Id. at 853.

5 (2) The Clerk is directed to send a copy of this Minute Order to all counsel of
6 record.

Dated this 11th day of May, 2022.

7
8 Ravi Subramanian
Clerk

9 s/Gail Glass
10 Deputy Clerk